Realisation of Export Proceeds

*232. SHRIMATI VANGA GEETHA:
SHRI AKHILESH DAS:

Will the Minister of FINANCE AND COMPANY AFFAIRS pleased to state:

(a) whether Government's attention has been drawn to the news-item appearing in the Asain Age dated 26th May, 2002, captioned, "Crores in Indian export proceeds are still pending";

(b) if so, the details thereof; and

(c) the steps taken to realize the export proceeds at an early date?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) and (b) Yes, Sir. The report, *inter alia*, states that substantial export proceeds are pending realisation.

(c) The procedure to watch the realisation of export proceeds requires the exporters to declare the bank through which the proceeds would be realised. RBI, in turn gets periodical scrool from banks showing realisation of export proceeds. RBI communicates to Customs formations and the Directorate of Enforcement information when export proceeds are not received, for them to proceed further under law.

Monitoring of banks' participation in farm lending

*233. SHRIMATI AMBIKA SONI:
DR. T. SUBBARAMI REDDY:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether RBI has decided to monitor banks' participation in farm lending;

(b) whether this move is aimed at increasing commercial banks' increased participation in overall agri-lending;

(c) if so, the details of commercial banks which have agreed to participate in farm lending;

(d) whether this will give a great boost to the agriculture sector in the country; and

(e) if so, whether any concrete proposal in this regard has been worked out by the RBI?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) to (d) Yes, Sir. Reserve Bank of India (RBI) has been regularly monitoring the progress made by banks in their lending to agriculture. To increase the flow of lending through commercial banks as also for their increased participation RBI has issued extant guidelines according to which all domestic scheduled commercial banks are required to land 40% of their Net Bank Credit (NBC) to priority sector, of which 18% is stipulated for agriculture sector. This measure is aimed at boosting the agriculture sector in the country.

(e) RBI has formulated a time-frame of two years within which both public and private sector banks should achieve this target of 18% for lending to agriculture. Accordingly, banks have been advised to take necessary steps so as to reach this target by March, 2003. In addition, RBI has also taken the following steps for increasing the flow of credit to agriculture sector:

- Formulating of Special Agricultural Credit Plans by public sector banks with a view to achieve distinct and marked improvement;
- Opening of atleast one specialized agricultural finance branch by all scheduled commercial banks in each State;
- Introduction has issue of Kisan Credit Cards for farmers;
- Setting up of rural Infrastructure Development Fund (RIDF) to assist State Government in quick completion of rural infrastructural projects;
- Introduction of a scheme for financing agri-clinics and agri-business centres to accelerate the process of technology transfer to agriculture and providing supplementary sources of input supply and services;
- Introduction of a scheme for financing small and marginal farmers for purchase of land for agricultural purposes;
- Increasing the limit for financing of distribution of inputs for allied activities to Rs. 25 lakhs; and
- Increasing the credit limit for produce (marketing) loan to Rs. 5 lakh.